

Niel Pretorius



Niel Pretorius was appointed CEO of DRDGOLD SA on 1 July.

Niel joined DRDGOLD (then still Durban Roodepoort Deep Limited) early in 2004 as Legal Counsel.

Reflecting on the challenges of his new role, Niel comments that DRDGOLD SA is well placed to take advantage of the current sustained buoyancy in the gold market.

"One of our greatest strengths, historically, has been our ability to sustain operations that are at the end of their lives, and to position them to take advantage of a better gold price environment. Building on that strength we can take the company to the next level of stability and strategic growth.

"Another strategic advantage is our mix of assets. Our underground operations have good ore bodies, with long lives. We also have surface assets, easier and less costly to run.

"This mix means that we have the capacity to generate cash through the surface operations during the lean years, to sustain and position ourselves to take advantage of an improved gold price environment, as we are experiencing now. We obviously want to maintain this balance going forward, and are consciously seeking new surface opportunities."

Other priorities include planning improvement projects to existing operations, and ensuring these are logically sequenced. "We have ageing infrastructure on a lot of our operations, and our challenging cash flow position in the past meant we had to be very selective where and how much we spent on routine maintenance.

"Looking ahead, our ambition should be twofold. On the one hand, we must position our operations through the intelligent application of resources to achieve an optimal level of flexibility. Secondly, we must continue to develop our people to ensure we have the greatest benefit of the true potential of every individual who is part of the DRDGOLD SA team."

Malcolm Norris



Malcolm Norris has been appointed Executive General Manager – Exploration at Emperor Mines.

He was previously with ASX-listed Indophil Resources NL.

Malcolm is a member of the Australasian Institute of Mining and Metallurgy and the Society of Economic Geologists. He holds a BSc Honours degree in geology from the University of Queensland, and an MSc from the University of Western Ontario.

"The company has valuable exploration ground in both PNG and Fiji and a superior knowledge of epithermal ore bodies in those countries," says Emperor Mines CEO Brad Gordon. "For example, Malcolm and his team will be able to build on our recent exploration and drilling success around the Zine Structure at the Tolukuma operation which has revealed further high-grade mineralisation. The work of the exploration team will be critical to Emperor's future success."

Malcolm says he looks forward to the challenges and opportunities of his new position, and to being part of the new team building the new Emperor Mines.

"Growth options for a company like Emperor Mines emerge from disciplined minerals exploration, reserve and resource growth, and thorough investigation of merger and acquisition opportunities; if we do all this properly, we improve enormously the prospects for delivery of above-average shareholder returns."

Malcolm is married to Julie, an accountant and photographer, and they have two teenaged children, Cameron and Claire. His interests include rugby, classic cars and fine art.

Last year, Malcolm completed the AsiaLink Leadership Programme through the AsiaLink Centre, a non-academic department of the University of Melbourne that promotes public understanding of the countries of Asia. He maintains links with AsiaLink through its alumni programme and is an invited speaker to the current leadership programme participants.



I haven't been on the road as much lately. No apologies due here though, as we had businesses to fix and mines to turn around. So, it was a welcome opportunity to see fund managers and shareholders with the new Emperor Mines CEO, Brad Gordon, recently.

Other than matters Emperor Mines, it was good to be able to chat about the turnaround in the operations of DRDGOLD SA and to discuss some of our plans for the future. The mainstay of this will be the invigorated ERPM, our best-performing mine in the last six months. And to think it nearly closed two years ago! ERPM is now looking to the east where the potential for a new mine adjacent to the existing lease area is being evaluated.

Brad was able to expand on progress in the Emperor operations. All three mines have, simultaneously, had the worst year in their respective histories. However, closing Vatukoula and re-opening it anew was definitely the right decision and production is climbing back to planned levels.

We will have to wait a while for the Emperor turnaround, but Brad has recruited an excellent team to do this and the second half of the year looks much brighter than the last six months.

It was also a joy being able to talk to our new, simplified structure. We had all become tired of 'restructuring', which is rather like having the builders in. Everything is a mess and you forget what your house looked like until other people comment favourably on the completed end product. DRDGOLD has built fit-for-purpose regional entities and you can now easily add up the market capitalisations and see what South Africa is worth. (Answer: currently about \$230 million). I am pleased to say that the builders have moved out – for now, at least.

Talking to the funds, it also became clear that they have become very cautious of high priced acquisitions and players who have milked the 'size prize'. It struck home to me the golden opportunities we have around our existing assets to explore, expand and expose more ounces. All of a sudden, the market has woken up to brownfields potential, reserves at depth and the value of infrastructure. We will be reporting back to you on more of our plans for these shortly.

There is a clear appetite from investment funds for 'value stories' and most acknowledged that we were undervalued. From now on, the results can do the talking, and to make sure this happens, now that the Convertible Bond will soon be out of the way, we will return to quarterly reporting.

It looks exciting out there, and, for once, I am looking forward to the next set of results!

All the best

Mark Wellesley-Wood
Chief Executive Officer
21 September 2006

ERPM the belle of the ball



encouraging, indicating that the reef is very well developed, with a channel width of 162 cm, and a value of 26.7g/t at that width, which equates to 23.1g/t over a mining width of 188cm.

An application covering a further exploration area of 5 500 hectares, ERPM Extension 2, has been submitted. This has an exploration target of some 7-11 million ounces.

Meanwhile, a R41 million 'plugging' project is well under way to ensure the future of ERPM's existing mining area, as well as the two adjacent prospecting areas.

Underground, water runs through disused mining areas, starting from a high point under the old Durban Roodepoort Deep mine in Roodepoort to the west, and finishing at the Hercules Basin under ERPM's Far East Vertical (FEV) Shaft in the east.

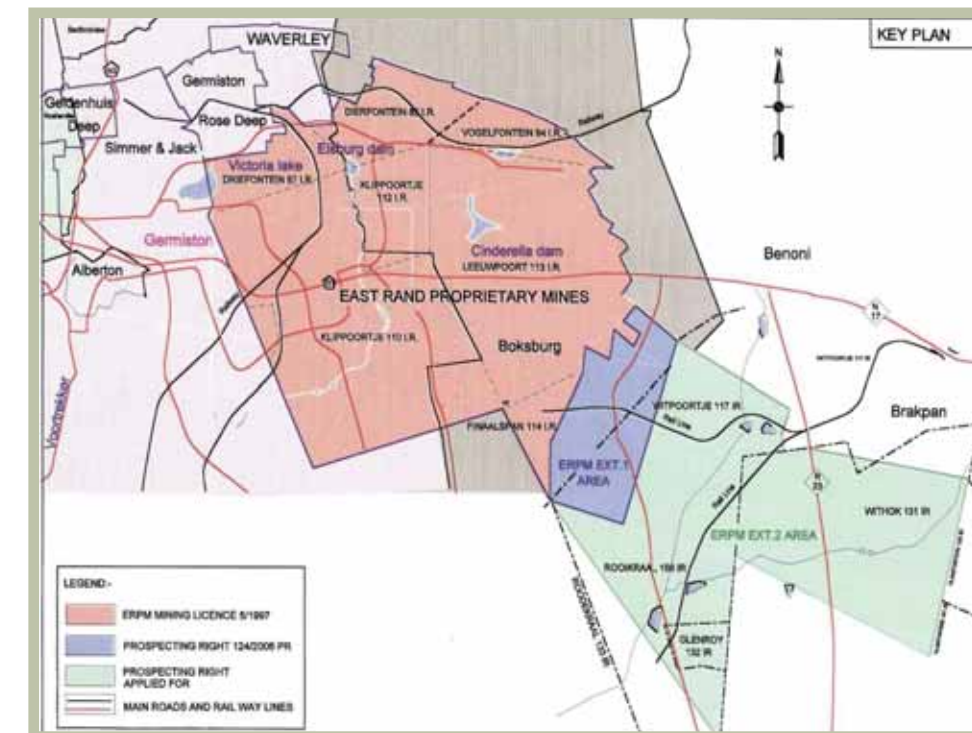
"If we had done nothing, our pumping capacity would have been far exceeded and our current and future mining areas would have been flooded – water levels were rising at over a metre per day," says ERPM General Manager Manny da Silva.

ERPM, DRDGOLD SA's 'Cinderella' operation at Boksburg, donned her crystal slippers and went to the ball in the six months ended 30 June 2006. During this period, it emerged as the best-performing operation in DRDGOLD Limited and initiated an ambitious exploration programme into the long-dormant, adjacent Sallies lease area.

The solution was to contain the water through constructing a series of underground plugs in disused haulages underground. Each plug segment has a width of about 7.5 metres, and consists of hand-stacked rocks, strengthened by pumping a cement mixture through the rock and contained by cement retaining walls.

The first prospect borehole in the so-called ERPM Extension 1 area was completed during the last quarter of the 2006 financial year. Preliminary results are

The project started in December 2004, and is scheduled for completion in April 2007. When finally signed off, each segment will be able to bear a load equivalent to 860 metres of water.



PEOPLE ON THE MOVE

The following senior appointments were announced recently (see also profiles of Niel Pretorius and Malcolm Norris):

Emperor Mines Limited

- Frazer Bouchier as General Manager of Vatukoula Gold Mine in Fiji;
- Brad Sampson as General Manager at Tolukuma gold mine in Papua New Guinea (PNG); and
- John Wallace as General Manager Human Resources, based at the Emperor Corporate Office in Brisbane, Australia.



Frazer Bouchier



Brad Sampson



John Wallace

DRDGOLD SA

- Craig Barnes as an executive director and Chief Financial Officer;
- Thulo Mogotsi as a non-executive director;
- Advocate Louisa Zondo as a non-executive director;
- Ben Niyrenda as alternate to non-executive director John Sayers;
- Collie Russouw as General Manager at Blyvooruitzicht; and
- Henry Gouws as General Manager at Crown



Craig Barnes



Thulo Mogotsi



Louisa Zondo



Ben Niyrenda



Collie Russouw



Henry Gouws



Mark Munroe

DRDGOLD Capital

- Mark Munroe as CEO
- DRDGOLD Capital, a new entity, will drive DRDGOLD's plans for expansion into Africa.



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WANT A QUICK RESPONSE TO YOUR
QUESTIONS ABOUT DRDGOLD?

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Some of the information in this fact sheet may contain projections or other forward looking statements regarding future events or other financial performance, including forward-looking statements and information relating to us that are based on the beliefs of our management, as well as assumptions made by, and information currently available to, our management. When used in this fact sheet, the words 'estimate', 'project', 'believe', 'anticipate', 'intend', 'expect', and similar expressions are intended to identify forward-looking statements. Such statements reflect our current views with respect to future events and are subject to risks, uncertainties and assumptions. Many factors could cause our actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including among others, adverse changes or uncertainties in general economic conditions in the markets we serve, a drop in the gold price, a continuing strengthening of the Rand against the Dollar, regulatory developments adverse to us or difficulties in maintaining necessary licences or other governmental approvals, changes in our competitive position, changes in business strategy, any major disruption in production at our key facilities or adverse changes in foreign exchange rates and various other factors. These risks include, without limitation, those described in the section entitled 'Risk Factors' included in our annual report for the fiscal year ended 30 June 2005, which we filed with the United States Securities and Exchange Commission on 15 December 2005 on Form 20-F and those detailed from time to time with the United States Securities and Exchange Commission. You should not place undue reliance on these forward-looking statements, which speak only as of the date thereof. We do not undertake any obligation to publicly update or revise these forward-looking statements to reflect events or circumstances after the date of this report or to reflect the occurrence of unanticipated events.

Crown attends to infrastructure

The DRDGOLD Board has approved capital expenditure of more than R10 million to replace pipelines at Crown, the world's largest surface treatment operation.

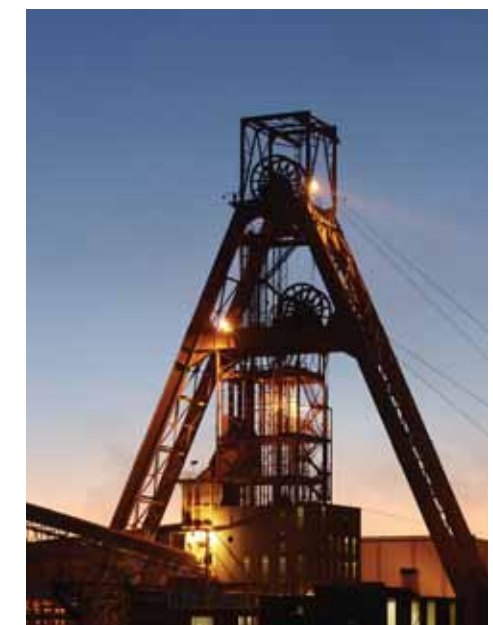
The first project (cost: R3.25 million) involves replacing one of the two 5.6-kilometre long residue lines from Crown to disposal facilities in the Nasrec area south of Johannesburg.

"We were able to source a replacement pipeline second-hand from Ergo (AngloGold Ashanti's retreatment operation, now closed) at a major cost saving: R425 per metre delivered, compared with R1 200 per metre for a new pipeline," says General Manager Henry Gouws.

The new pipeline's larger diameter (500 mm compared with the old pipeline's 400 mm) will help to prolong the life of the other residue pipeline by reducing the volume of residue it is required to carry.

The second project, with an approved cost of R7.2m, involves the replacement of the 8.3-kilometre feed pipeline from the CMR recovery site to the Crown plant. The new pipe is lined with High Density Polyethylene (HDPE), which has a lower friction factor than rubber. This should reduce wear and tear and ensure a longer life.

Another project, costing R17.5 million, has involved the installation of two grinding mills at Crown's Knights Plant, in Boksburg, east of Johannesburg. The new mills will allow Knights to increase sand treatment capacity from 120 000 to 300 000 tonnes per month.



Blyvoor leads in safety

Blyvooruitzicht was the star performer in respect of safety within DRDGOLD during the 2006 financial year, showing improvement in respect of all three measures – fatalities, lost time injuries and reportable injuries. The operation also won the West Rand Mine Managers' Safety Competition for the eighth year in succession

Argonaut revives

DRDGOLD's ultra-deep Argonaut Project to the south of Johannesburg – shelved for some years while the gold price languished in the doldrums – is being revived. A prospecting right over 969 hectares has been granted and an application to extend this by an additional 4 002 hectares submitted.

The plan is to sink an exploration hole which is expected to intersect the Main Reef Leader Reef at a depth of 4 200 metres below surface.

